

## School Finance Advisory Committee Meeting Monday, June 12, 2006

Subject / Name	Issue	Suggestions / Resolution
<b>Minutes Review</b>	No corrections were made to the minutes.	
<b>Indirect Cost</b>	Jill noted that a broadcast fax was sent to the LEAs noting the new way in which the indirect cost rate can be calculated between the districts and the counties. There were no questions about the fax or indirect cost rate in general.	
<b>ListServ</b>	Teddy reviewed the purpose of the ListServ. The ListServ will give updates to SAIS, SAIS Online, SDAR and updates. Kevin Price noted that he had some trouble receiving the ListServ emails due to it being associated with Yahoo Groups. Teddy asked what other items might be beneficial to see on the ListServ.	
<b>Absence Rate</b>	Clarification of absence rate on 45-1. ARS 15-902 reads "For a common or unified school district in which the average daily membership through the first one hundred days or two hundred days in session, as applicable, of the current year has exceeded the average daily attendance through the first one hundred days or two hundred days in session, as applicable, of the current year by more than six per cent, the student count shall be determined by an adjusted average daily membership computed by multiplying the actual average daily attendance by one hundred six per cent." If ADM exceeds ADA by 6% then the ADM can be adjusted for excessive absences. Teddy raises the question of 6% of what. Take the difference between the ADA and ADM. On the reports, one of the changes that we're looking in to doing is removing the absence rate and changing to an attendance adjustment threshold to determine adjusted ADM. Teddy inquired as to whether anyone is using the absence rate on the 45-1 for any reason other than excessive absence calculation. An absence rate of 5.6% is considered 6% by statute. Rose noted that the calculation should be in the IRR. She also noted that Chuck Essigs may know why the calculation was done as it is. Kevin Price recommended that this piece of legislation be removed to eliminate work for school districts because they rarely get paid on anything other than ADM. He asked how we go about trying to modify this. Kevin requested that SF look at the absence approval to determine when a district and/or charter is paid off the adjusted ADM. After reviewing the numbers, it will be determined whether to start a subcommittee or not.	<ol style="list-style-type: none"> <li>1. Kevin requested that Jill in SF look at the absence approvals to determine when a district and/or charter is paid off the adjusted ADM.</li> <li>2. It was agreed that the rate as reported on the 45-1 should stay, but that the title should be revised to actually state what the rate actually represents.</li> </ol>
<b>Chart of Accounts</b>	Norma wanted to know when the LEAs will receive the chart of accounts. Lyle explained that the revised chart of accounts will not go into effect until July 1, 2007.	
<b>Concurrent Enrollment</b>	The subcommittee recommendation was re read to the committee and it was determined that the recommendation needs some rewording.	<ol style="list-style-type: none"> <li>1. Rose will revise the recommendation.</li> <li>2. Jill will send revised recommendation to the SFAC and tally the votes via email.</li> </ol>
<b>Auditable ADM</b>	Auditable ADM subcommittee has nothing to report at this time.	

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<p><b>Call to the Audience</b></p>	<p>Teddy noted that the FY06 recalculation will begin on July 7, 2006. Teddy explained that he and Dolores are working on adding a function to the ListServ that reminds LEAs of upcoming deadlines and other important dates.</p> <p>Karen wanted to make sure that Phil Williams knows of her appreciation for his support of the Arizona schools.</p> <p>Karen asked that there be a description of each application on the Common Logon.</p> <p>Brenda Thomas would like to know if tuition-in billing be included in soft capital.</p> <p>Lyle will attempt to get this in as a technical correction.</p>	<ol style="list-style-type: none"> <li>1. Lyle will attempt to get tuition-in billing included in soft capital in as a technical correction.</li> <li>2. Lyle will also work on a technical correction to change the requirement where districts must complete a December 15th revision when their budgets differ from their limits by greater than \$1000.</li> </ol>
<p><b>Next Meeting</b></p>	<p><a href="#">Monday, August 14, 2006</a></p>	<p><b>Arizona State Capitol Executive Tower Building 2nd Floor Conference Room 1700 West Washington Phoenix, AZ 85007</b></p>

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### Acronyms

AASBO	Arizona Association of School Business Officials	M&O	Maintenance and Operation Fund
ADE	Arizona Department of Education	NAVIT	Northern Arizona Vocation Institute of Technology
ADM	Average Daily Membership	RTC	Regional Training Center
AFR	Annual Financial Reports	SAN	Storage Area Network
AG	Auditor General	SDAR	Student Detail Activity Report
CCD	Common Core Data	SDER	School District Employee Report
CEC	Certificate of Education Convenience	SF	School Finance
CSF	Classroom Site Fund	SFAC	School Finance Advisory Committee
EVIT	East Valley Institute of Technology	SFB	School Finance Board
IRR	Instructions for Required Reports	SMS	Student Management System
JTED	Joint Technological Education District	USFR	Uniform System of Financial Records
LEA	Local Education Agency		

<b>Action Items / Commitments</b>	
<b>Jill Heikkila</b>	<ul style="list-style-type: none"> <li>• Look at the absence approvals to determine when a district and/or charter is paid off the adjusted ADM.</li> <li>• Send Kindergarten document to Pat Beatty.</li> <li>• Email Attorney Generals opinion on I90-020 (obtain from Lyle.)</li> </ul>
<b>Rose Whelihan</b>	<ul style="list-style-type: none"> <li>• Revise the Concurrent Enrollment recommendation.</li> </ul>
<b>Teddy Dumlao</b>	<ul style="list-style-type: none"> <li>• It was agreed that the rate as reported on the 45-1 should stay, but that the title should be revised to actually state what the rate actually represents.</li> </ul>
<b>Lyle Friesen</b>	<ul style="list-style-type: none"> <li>• Attempt to get tuition-in billing included in soft capital in as a technical correction.</li> </ul>

### Members in Attendance

Members			ADE Staff
Patricia Beatty	Lucia Marrufo	Elizabeth Sanders	Teddy Dumlao
Mark Busch	Linda Munk	Vickie Simmons	Harold Frederick
Paul Christensen	Tina Norton	Roger Studley	Lyle Friesen
Lori Garvey	Norma Pacheco	Brenda Thomas	Dolores Gerritse
Angela Germinaro	Kerri Porter	Rose Whelihan	Jill Heikkila
Karen L. Havird	Kevin E. Price	George Zeigler	
Ken Hicks	Michael D. Reed		